KUANG PEI SAN FOOD PRODUCTS PUBLIC COMPANY LTD

v.

WEES MARKETING CO SDN BHD

HIGH COURT SABAH & SARAWAK, KUCHING
RHODZARIAH BUJANG JC
[SUIT NO: 22-231-2009-III]
23 JUNE 2011

TRADE MARKS: *Infringement of - Likelihood of deception or confusion - Similarity in get-up - Plaintiff producer of canned sardines under registered trade mark of 'Smiling Fish' - Whether defendant's usage of their brand name 'Smiling Brand' deceptively similar to plaintiff's trade mark - Factors to consider - Similarities in colour scheme and angle of deception - Trade Marks Act 1976, s. 38(1)(a)*

TRADE MARKS: *Passing off - Goodwill - Misrepresentation - Similarity in get-up - Plaintiff producer of canned sardines under registered trade mark of 'Smiling Fish' - Whether defendant's usage of their brand name 'Smiling Brand' deceptively similar to plaintiff's trade mark - Whether plaintiff's canned sardines have been in the market for long - Whether plaintiff achieved requisite level of goodwill and reputation amongst consumers of canned sardines - Failure of defendant to explain at trial on similarities between the two get-ups - Ming Kee Manufactory Limited v. Kee Hin Industries Sdn Bhd & 3 Ors*

TRADE MARKS: *Passing off - Damage - Similarity in get-up - Plaintiff producer of canned sardines under registered trade mark of 'Smiling Fish' - Whether defendant's usage of their brand name 'Smiling Brand' deceptively similar to plaintiff's trade mark - Failure to provide estimate of sales figure - Whether court could make a finding of probable damage caused to plaintiff*

TRADE MARKS: *Registered trade mark - Action for infringement - Defence of - Delay in filing action - Trade mark registered on 22 December 2008 - Action instituted in 2009 - Knowledge of - Plaintiff aware of defendant's usage of their 'Smiling Fish' since 1989 - Accrual of right to sue - Whether plaintiff's action within limitation period - Limitation Ordinance Sarawak, Item 97*

A ***COPYRIGHT:*** *Infringement - Designs - Similarity in get-up - Plaintiff producer of canned sardines under registered trade mark of 'Smiling Fish' - Whether defendant's usage of their brand name 'Smiling Brand' deceptively similar to plaintiff's trade mark - Whether defendant could prove that its get-up was independently designed - Whether action for*
B *copyright infringement made out*

The plaintiff, a public limited company incorporated in Thailand, was a producer of canned sardines under the trade mark 'Smiling Fish', which was registered in Malaysia on 22 December 2008 *vide*
C registration no. 96/03248. The defendant, a local limited company, was concerned with the manufacture, distribution and selling of canned sardines under the brand name 'Smiling Brand'. This mark appeared in a square box together with three Chinese characters. The plaintiff contended that sometime in 2009, they discovered
D that the defendant had been distributing canned sardines under this brand name which was similar to the get-up of their fried canned sardines in terms of the colour, packaging, picture of the blue fish, chillies and vegetable dish which were depicted in their get-up, thereby causing confusion to their customers. Hence, the
E plaintiff commenced an action on 12 November 2009 against the defendant for the alleged infringement of their trade mark, copyright and for passing off of their registered trade mark. On 20 May 2010, this court granted an interlocutory injunction against the defendant to restrain them from, *inter alia*, infringing the
F plaintiff's trade mark aforesaid. To defend the plaintiff's claim, the defendant relied on the defence of laches/delay, wherein their contention was that the plaintiff had been aware of the defendant's usage of their 'Smiling Brand' since 1989 and yet did nothing to stop them.

G **Held (allowing plaintiff's claim with costs):**

(1) The underlying concern of the court in deciding cases on trade mark infringement is whether the two marks are identical and if so, whether the similarities are likely to
H deceive or cause confusion in the trade. Further, the competition in the market for canned sardines is indeed stiff and similarities abound but what the law does not condone is when the similarities, such as in this case, have the real potential of causing confusion amongst consumers (Trade
I Marks Act 1976, s. 38(1)(a)). (paras 11 & 16)

(2) The defendant's usage of the words 'Smiling Brand' was deceptively similar to the plaintiff's trade mark even without the pictorial device. Even when the two get-ups were compared in relation to the colour scheme, the picture of the blue fish, the angle of its depiction, the vegetable dish behind it and the chillies at the bottom of the tin, the similarities between them were simply astounding. Besides, when the word 'Smiling' was thrown into the whole assemble, the court drew the conclusion that there was trade mark infringement by the defendant. (paras 13 & 14)

(3) The tort of a passing off action is to provide restitution for the injury caused by the defendant to the business or goodwill hereto enjoyed by the plaintiff through his business endeavours. The three requirements under the trinity test for defining the standard to succeed in such a claim are: (i) the plaintiff must establish sufficient goodwill and/or reputation in the get-up (ii) the defendant has by action caused misrepresentation and (iii) the plaintiff has suffered or is likely to suffer damage or injury to his business or goodwill by reason of the said action. (para 17)

(4) The plaintiff had put in enough evidence to show that they have been marketing their canned products, including sardines under the same trade mark since 1984 and had been enjoying a brisk sale all these years. Hence, the plaintiff's canned sardines having been in the market for so long had indeed achieved the requisite level of goodwill and reputation amongst consumers of canned sardines (*Ming Kee Manufactory Limited v. Kee Hin Industries Sdn. Bhd. & 3 Ors*; refd). (paras 18 & 19)

(5) The similarities in the two get-ups, which the defendant was unable to explain at the trial was clear evidence of misrepresentation. In the absence of such explanation, the court could safely assign a probable cause for the great similarities, which was, an obvious attempt by the defendant to ride on the goodwill and trade reputation of the plaintiff. (para 20)

(6) It is trite law that actual damage need not be proved and it is sufficient for the plaintiff to prove probability of damage. Since the plaintiff was unable to give an estimate of the sales

figure from 2004-2008 and 2010, it would not be safe for the court to make a finding of even a probable damage, let alone an actual damage done. Thus, on the claim of passing off, the plaintiff's action failed. (para 22)

(7) There is a twin requirement in law to prove copyright infringement. They are: (i) an objective similarity and (ii) a casual connection between the infringing work and the copyright work. There was *prima facie* evidence as provided by s. 42 of the Copyright Act read with Copyright (Application to Other Countries) Regulations 1990 that the plaintiff was the copyright owner of the get-up plastered on their canned sardines. (paras 23 & 24)

(7a) The defendant could not confirm that its get-up was independently designed wherein it was admitted by the defendant that the blue sardine on their get-up was taken from the internet. From the evidences adduced, the court found that an action for copyright infringement had been made out. (para 25)

(8) The burden was on the defendant to prove acquiescence and delay on the plaintiff's part which they have not been able to, whereas the plaintiff had adduced evidence to show the changing of the defendant's get-up which ultimately led to the close resemblance to the plaintiff's get-up. Even if the plaintiff was aware of the infringement, they would be powerless to sue because their trade mark was only registered on 22 December 2008. Hence, the accrual of their right to sue, even if there was prior knowledge, would be 22 December 2008. Since there was no specific period of limitation provided in the Limitation Ordinance Sarawak for this kind of action, it falls under the general provision provided in Item 97, *ie*, six years. Thus, since this action was instituted in 2009, it was well within the limitation period prescribed by law (*Alfred Templeton & Ors v. Mount Pleasure Copr Sdn Bhd*; foll). (paras 27 & 28)

[The court granted a permanent injunction, inter alia, to restrain the defendant from infringing the plaintiff's trade mark registration No. 96/03248].

Case(s) referred to:

Acushnet Company v. Metro Golf Manufacturing Sdn Bhd [2006] 7 CLJ 557 HC ***(refd)***

Alfred Templeton & Ors v. Mount Pleasure Corp Sdn Bhd [1989] 1 CLJ 693; [1989] 1 CLJ (Rep) 219 HC ***(foll)***

Dabur India Ltd v. Nagasegi Sdn Bhd & Ors [2010] 1 LNS 618 ***(refd)***

De Cordova & Others v. Vick Chemical Coy [1951] 68 RPC 103 ***(refd)***

Erven Warnink v. Townend & Sons (Hull) Ltd [1979] AC 731 ***(refd)***

Francis Day & Hunter Ltd & Anor v. Bron & Anor [1963] Ch 587 ***(refd)***

Hai-O Enterprise v. Nguang Chan @ Nguang Chan Liquor Trader (a firm, intervening) [1993] 1 BLJ 53 HC ***(refd)***

Hexagon Tower Sdn Bhd v. Polydamic Holdings Sdn Bhd & 3 Ors [2005] 1 LNS 77 HC ***(refd)***

Ming Kee Manufactory Limited v. Kee Hin Industries Sdn Bhd & 3 Ors [2008] 1 LNS 777 HC ***(refd)***

Reckitt & Colman Products Ltd v. Borden Inc & Ors (No. 3) [1990] 1 All ER 873 ***(refd)***

Sandown Ltd's Application [1914] 31 RPC 196 ***(refd)***

Seet Chuan Seng & Anor v. Tee Yih Jia Food Manufacturing Pte Ltd [1994] 3 CLJ 7 SC ***(refd)***

Super Coffeemix Manufacturing Ltd v. Unico Trading Pte Ltd [2000] 2 SLR (R) 214 ***(refd)***

Tohtonku Sdn Bhd v. Superace (M) Sdn Bhd [1992] 2 CLJ 1153; [1992] 1 CLJ (Rep) 344 SC ***(refd)***

Legislation referred to:

Trade Marks Act 1976, s. 38(1)(a)

For the plaintiff - Lidwina Kiew (Allan Lao with him); M/s David Allan Sagah & Teng

For the defendant - Ernest Chua; M/s Ernest Chua & Co

Reported by Kumitha Abdul Majid

JUDGMENT

Rhodzariah Bujang JC:

[1] This judgment is about one of the commonest food available in Malaysia, the humble canned sardines or rather a variety of it, ie fried canned sardines. As anyone who visits supermarkets and sundry shops would not fail to notice, there are many brands of canned sardines available in the market to choose from. The plaintiff, a public limited company incorporated in Thailand is a producer of one such brand, under the trade mark, 'Smiling Fish'. That trade mark is registered in Malaysia under number 96/03248

and pictures a caricature of a fish, smiling obviously, in a round bubble and with the words 'Smiling Fish' on top of it. Canned sardines are not all that the plaintiff manufactured. The same trade mark covers other kinds of canned seafood as well, stated in trade mark certificate as falling under Class 29.

[2] The defendant is a local limited company also involved in the sale of and marketing of consumer goods in Malaysia, including but not limited to processed and canned seafood. This company is related to another company, Wee Ping Trading Co. Sdn. Bhd which used to distribute the plaintiff's 'Smiling Fish' canned products for more than ten years, ie, from 1987-1998. The defendant, at all material times and in recent times were concerned with the manufacture, distribution and sell of canned sardines under the brand name 'Smiling Brand'. They have applied to register that brand name as their own trade mark and the same is still pending approval by the relevant authority. This mark appears in a square box together with three Chinese characters. There is no caricature of any fish, smiling or otherwise. But, the absence of such a caricature was not all this legal dispute is about. The plaintiff contended that sometime in 2009 they discovered that the defendant had been distributing canned sardines under this brand name which is similar to the get-up of their fried canned sardines in terms of the colour, the packaging, the picture of the blue fish, chillis and vegetable dish depicted in their get-up, thereby causing confusion to their customers.

[3] The plaintiff had therefore commenced an action on 12 November 2009 for the alleged infringement of their trade mark, and of their copyright and for passing off of their registered trade mark. On 20 May 2010, I granted an interlocutory injunction against the defendant restraining them from, *inter alia*, infringing the plaintiff's trade mark as aforesaid and the trial of this action commenced about four and a half months later.

The Trial

[4] In support of their case, the plaintiff has called five witnesses and they were their Director of Foreign Affairs, Ms. Khimpring Tohtubtiang, Mr. Lau Tung Ee, the Financial Controller of Sharikat Ta Kiong Sdn Bhd, who is the current sole distributor for the plaintiff's Smiling Fish products in Malaysia and who took over that distributorship in Sarawak from Wee Ping Trading Co. Sdn Bhd in 1998, Sharikat Ta Kiong Sdn Bhd's sales supervisor,

Mr. Loo Hun Ping and two consumers of the plaintiff's canned fried sardines who claimed to have been duped into buying the defendant's canned sardines due to the alleged similarity in the get-ups of the said products.

[5] The defendant's Managing Director, Mr. Jamesherd Wee and his father Mr. Wee Boon Ping, the Managing Director of Wee Ping Trading Co. Sdn Bhd both gave evidence as did a distributor of their canned sardines, Mr. Tan Vui Chai (the sole proprietor of Sg. Trading) and Mr. Stephen Lau, an operator of a sundry shop selling canned sardines of both the plaintiff's and the defendant's.

[6] The evidence of the lay persons of course were consistent with the stand of the party who called them. Those for the plaintiff testified on the confusion of the consumers of canned sardines who reported to Mr. Loo Hun Ping and the actual confusion of their last two witnesses who bought what they thought was the plaintiff's fried canned sardines, only to discover that it was not and what was more the sardines in the defendant's product were 'unfried' (despite the word 'fried' on the packaging).

[7] On the other hand, the defendant's distributor and sundry shop operator said no similar complaints were received by them. In other words, they knew of no such confusion of the two products amongst consumers of canned sardines. Other than the testimonies of the witnesses and the reproduction of both the plaintiff's and the defendant's get-ups in the plaintiff's bundle of documents, the plaintiff also tendered the real products, that of the defendant's as exh. P14(A) & (B) and exh. P15(A) & (B). Five other cans were tendered, not to give strength to numbers, but were evidence of purchases of the defendant's canned sardines from different supermarkets in the city. These five cans came with cash receipts from the said supermarkets as evidence (exh. P9(A) & (B) to P13(A) & (B)).

[8] In writing this judgment, I was fortunate that the parties with the assistance of their counsels have agreed much on the facts (which I have incorporated at the beginning of this judgment) and on these three issues for trial.

A **The Three Agreed Issues**

[9] The statement on agreed issues to be tried was marked as exh. P7.

B (i) Whether the defendant had infringed the plaintiff's registered trade mark for 'Smiling Fish Brand & Device' by using trade mark 'Smiling Brand' in connection with canned sardines as shown in Appendix B of the statement of claim dated 12 November 2009.

C (ii) Whether the defendant had passed off its canned sardines as and for the plaintiff's canned sardines by using a get-up as represented in the said Appendix B, similar to the plaintiff's get-up as shown in Appendix A of the statement of claim dated 12 November 2009.

D (iii) Whether the defendant had infringed the plaintiff's copyright subsisting in the artistic work as shown in Appendix C of the statement of claim dated 12 November 2009.

E **Infringement Of The Plaintiff's Trade Mark**

[10] Section 38(1)(a) of the Trade Marks Act 1976 ("the TMA 1976" for short) provides that there is infringement if a person uses a mark which is "identical with" or "nearly resembling" the registered trade mark "as is likely to deceive or cause confusion in F the course of trade in relation to goods or services in respect of which the trade mark is registered when the use of such a mark is likely to be taken (as in the facts of this case) as being use as a trade mark".

G **[11]** Mr. Allan Lao and Ms. Lidwina Kiew, counsels for the plaintiff have ably laid out in their joint written submission the law governing not just this particular issue but the other two as well. The judgment of Datuk Ramli bin Hj. Ali J (as His Lordship then was) in *Acushnet Co v. Metro Golf Manufacturing Sdn Bhd* [2006] 7 H CLJ 557 figured quite prominently in their submission. His Lordship also quoted the Supreme Court's judgment in *Tohtonku Sdn Bhd v. Superace (M) Sdn Bhd* [1992] 2 CLJ 115; [1992] 1 CLJ (Rep) 344 which lays down the test for trade mark infringement and in turn, for himself, His Lordship listed five I requirements under s. 38(1)(a) in order to make out a case for such infringement. From the test and conditions laid down in these

cases it is clear that the underlying concern of the court in deciding cases on trade mark infringement is whether the two marks are identical and if so whether the similarities are likely to deceive or cause confusion in the trade.

[12] It is the court's duty said the Singapore Court of Appeal in *Super Coffeemix Manufacturing Ltd v. Unico Trading Pte Ltd* [2000] 2 SLR (R) 214 to identify the essential and distinguishing feature of the whole trade mark to see if the alleged offender had used "one or more of its essential features". And for that I need to use my own judgment and at the same time consider the evidence placed before me. These essential features are not just pictures but also words and sounds, said the Privy Council in *De Cordova & Others v. Vick Chemical Coy* [1951] 68 RPC 103. Based on the said case authorities, the plaintiff's counsels stressed that the plaintiff's registered trade mark consist of not just the pictorial device of a smiling fish but also the words 'SMILING FISH BRAND'. In fact their two consumers, PW1 and PW4 have testified that they identified the plaintiff's canned sardines from these very words and pictorial device.

[13] The plaintiff contended, and I would definitely have to agree, that the defendant's usage of the words 'SMILING BRAND' are deceptively similar to the plaintiff's trade mark even without the pictorial device. What made it even more confusing to the average consumers of canned sardines is the same colour scheme adopted, the very same blue tinged fish with a background of a dish of sardines garnished with green vegetables and the pictures of red chillis beneath the fish. What is worst is that the blue fish were depicted on the cans at almost the same angle. Thus, the average consumer could be easily be forgiven if they mistook one for the other; whether these two brands are placed side by side on the supermarket shelves or even if one were to adopt the 'imperfect recollection test' established in *Sandown Ltd's Application* [1914] 31 RPC 196 and explained as follows by Sargant J:

> The questions is not whether if a person is looking at two trade marks side by side there would be possibility of confusion; the questions is whether the person who see the proposed trade mark in the absence of the other trade mark, and in view only of this general recollection of what the nature of the other trade mark was, would be liable to be deceived and to think that the trade mark before him is the same as the other, of which he has a general recollection.

I did say (though not in identical words) when I granted the interlocutory injunction that what the court should be concerned with in the particular facts of this case is not a consumer who has all the luxury of time to stand at the supermarket's aisle to scrutinize in minute details the get-up of the goods lined on it shelves but an average one, representing the general populace, who would want to make his purchase and leave. The average consumer of canned sardines are not just housewives and restaurant owners, as submitted by the plaintiff's counsels but cuts across almost all levels of society – young and old and I do not agree with counsels' submission that the level of a consumer's intelligence plays a part but rather, whether time is on a consumer's side when making the selection. For the record, I could not rely on the evidence of the defendant's two lay witnesses on the alleged absence of the confusion because they were their distributor/seller of the canned sardines and not consumers.

[14] It is clear to me when I compared the two get-ups in this case, the colour scheme, the picture of the blue fish, the angle of its depiction, the vegetable dish behind it and the chillis at the bottom of the tin, the similarities between them are simply astounding. When I throw in the word 'Smiling' into the whole assemble I cannot but draw the conclusion that there is trade mark infringement by the defendant.

[15] I am conscious when I make this conclusion that there are other brands of canned sardines with the same colour scheme and have pictures of fish and chillis in their get-ups. Mr. Ernest Chua for the defendant did produce (during cross-examination of the plaintiff's witnesses) the physical evidence of two other brands of canned sardines in the market, 'King Car' and 'Matahari', to illustrate his point on the similarity in the get-ups of all these brands of canned sardines with that of the plaintiff's, especially in terms of the colour scheme (red and yellow) and the picture of the fish and chillis.

[16] Perhaps the point which Mr. Ernest Chua is trying to make here from these questions is that the plaintiff should not just be pointing fingers at the defendant as there are others who are similarly in the wrong. However, two or more wrongs do not make a right and the plaintiff's grouses against the defendant are not simply the colour scheme of the defendant's get-up but the word 'Smiling' as well the similarity in the picture of the blue fish, the

angle in which it is depicted in the defendant's get-up, the vegetable dish and the position of the chillis at the bottom of that get-up. The competition in the market for canned sardines is indeed stiff and similarities abound but what the law does not condone is when the similarities, such as in this case, have the real potential of causing confusion amongst consumers.

Passing Off Action

[17] The tort of a passing off action is to provide restitution for the injury caused by the defendant to the business or goodwill hereto enjoyed by the plaintiff through his business endeavours. This much I understand from the case authorities on the subject and the classic trinity test accepted as the defining standard to succeed in such a claim. The three requirements under the test are:

(i) the plaintiff must established sufficient goodwill and/or reputation in the get-up.

(ii) the defendant has by action caused misrepresentation.

(iii) the plaintiff has suffered or is likely to suffer damage or injury to his business or goodwill by reason of the said action.

(see *Erven Warnink v. Townend & Sons (Hull) Ltd* [1979] AC 731; *Reckitt & Colman Products Ltd v. Borden Inc & Ors (No. 3)* [1990] 1 All ER 873; [1990] RPC 341 and *Seet Chuan Seng & Anor v. Tee Yih Jia Food Manufacturing Pte Ltd* [1994] 3 CLJ 7).

[18] In respect of the first requirement, the plaintiff has put in enough evidence to show that they have been marketing their canned products, including sardines under the same trade mark since 1984 and had been enjoying a brisk sale all these years as evidenced by the documents, ie, their internal sales record exhibited at pp. 8-95 of exh. P2). According to Mdm Khimpring Tohtubtiang (at question and answer 20 of her witness statements), except for the years 2000 to 2004, when sales of their products almost touched USD 1 million in Malaysia, since 1998 up to 2008, they had passed the USD 1 million mark. This, they have achieved after spending a lot of money on advertising and promotional activities as detailed in question and answer 18 of her witness statement. There is very little that the defendant could present by way of evidence to counter these assertions of fact but what the defendant has attempted, quite unsuccessfully

in my opinion, is to say that much of that goodwill and business reputation that the plaintiff enjoyed came from the efforts of Wee Ping Trading Co. Sdn Bhd, the plaintiff's former distributor. This attempt came out in the cross-examination of the plaintiff's two main witnesses but which is to me quite irrelevant when it comes to satisfying the first requirement because the important consideration here is the goodwill and reputation established and enjoyed by the plaintiff and not whose effort brought them about.

[19] Furthermore, as pointed by the plaintiff's counsels, relying on *Hai-O Enterprise v. Nguang Chan @ Nguang Chan Liquor Trader (a firm, intervening)* [1993] 1 BLJ 53 and *Ming Kee Manufacturing Limited v. Kee Hin Industries Sdn Bhd & 3 Ors* [2008] 1 LNS 777, as a distributor, Wee Ping Trading Co. Sdn Bhd does not acquire any business goodwill enjoyed by the plaintiff. Although in the two cited cases, the claimant of the goodwill were importers of the good, the rationale I agree applies equally to a distributor. I believe on the evidence presented that the plaintiff's canned sardines having been in the market for so long have indeed achieved the requisite level of goodwill and reputation amongst consumers of canned sardines to satisfy that first requirement.

[20] As for misrepresentation, I would say that the same consideration and reasonings that I made earlier in the first agreed issue before concluding that there ought to be or is likely to be confusion amongst the average consumers of canned sardines in respect of the two get-ups would equally apply in deciding on this sub-issue. That I need not say more on it except to reiterate that the similarities in the two get-ups, which the defendant was unable to explain at the trial is again clear evidence of misrepresentation. In the absence of such explanation, I could safely assign a probable cause for the great similarities, which is, an obvious attempt by the defendant to ride on the goodwill and trade reputation of the plaintiff. I say this with a certain amount of conviction when I viewed the following undisputed evidence at the trial.

Evidence Of Change

[21] The defendant's Managing Director, Mr. Jamesherd Wee admitted that the get-up of the defendant's canned sardine had undergone a few changes. He testified that in the year 2004, they were using the get-up reproduced at p. 506 of Ex P2 where the present get-up complained by the plaintiff only appeared on one

side of the can whereas the other side depicted a caricature of a smiling bluish tinged dolphin. In 2008, there was a completely different get-up used by them which Mr. Jamesherd Wee said was only used that year. Subsequently, they however, reverted to the present get-up by removing the bluish tinged dolphin with the consequential result that anyone viewing both sides of the can would see a similar design with that of the plaintiff's get-up. The confusion and misrepresentation are sealed following the removal of that dolphin.

Unproven Damage

[22] On the last requirement to prove that damage has resulted from the passing off, the plaintiff's counsels are right that it is trite law that actual damage need not be proved and it is sufficient for them to prove probability of damage. They referred to the evidence of Sharikat Ta Kiong Sdn Bhd's sales supervisor, Mr. Loo Hun Ping who said that except for the year 2009, the sales of the plaintiff's canned sardines had been consistent. This however is a bare statement unsupported by any actual figures and although invoices from Sharikat Ta Kiong Sdn Bhd were tendered in the plaintiff's Supplementary Bundle of Document marked as exh. P5, these documents were only agreed as to authenticity and not content. Further, Mr. Loo Hun Ping were not referred to these documents in his examination-in-chief and in cross-examination (p. 49 of the notes of proceedings), he was unable to give even an estimate of the sales figure (in cartons) from 2004-2008 and 2010. With this kind of evidence, it would not be safe for me to make a finding of even a probable damage, let alone an actual damage done. Thus, on the claim of passing off, the plaintiff's action fails.

Copyright Infringement

[23] There is a twin requirements in law to prove this infringement. They are firstly, an objective similarity and secondly, a casual connection between the infringing work and the copyright work. These two requirements I gather from the decision of *Francis Day & Hunter Ltd & Anor v. Bron & Anor* [1963] Ch 587 which was followed in *Hexagon Tower Sdn Bhd v. Polydamic Holdings Sdn Bhd & 3 Ors* [2005] 1 LNS 77 and *Dabur India Ltd v. Nagasegi Sdn Bhd & Ors* [2010] 1 LNS 618, cases highlighted to me by the plaintiff's counsels.

[24] The plaintiff has adduced evidence to show that the plaintiff's get-up was designed by a company in Thailand, Constant Advertising Co Ltd and with a statutory declaration by Mdm Khimpring Tohtubtiang, there is *prima facie* evidence as provided by s. 42 of the Copyright Act read with Copyright (Application to Other Countries) Regulations 1990 that the plaintiff is the copyright owner of the get-up plastered on their canned sardines.

[25] Coming back to the twin requirements, for the first one I have discussed earlier the similarity in the two get-ups and need not repeat them again. As for the second one, the plaintiff's get-up being the first one in the market the logical inference when viewed in the light of the strong association between the defendant and the plaintiff's former distributor, Wee Ping Trading Sdn Bhd is that the plaintiff's get-up 'must be the source from which the infringing work is derived …' (per Lord Diplock in *Francis Day*'s case *(supra)*). Besides, the defendant's Mr. Jamesherd Wee has admitted in his cross-examination that he could not confirm that the defendant's get-up was independently designed (p. 107 of the notes of proceedings). Neither does he have the evidence to show that he had given the artwork for the defendant's get-up to the printer and even more glaring is his admission that the blue sardine on their get-up was taken from the internet (p. 118 of the notes of proceedings). With these evidence, I believe I am on firm ground to say that an action for copyright infringement had been made out.

[26] Before concluding this judgment, I would first address the question of laches/delay raised by Mr. Ernest Chua, for the defendant in his written submission. I choose to do it now and not earlier when discussing the three agreed issues because the defence is common to all three issues and I do not wish to keep repeating it when considering whether the plaintiff had discharged the burden of proving their allegation of trade mark and copyright infringement as well as passing off by the defendant.

Laches/Delay

[27] Mr. Ernest Chua submitted that the plaintiff was aware of the defendant's usage of their 'Smiling Brand' since 1989 and yet did nothing to stop them. But, as highlighted by the plaintiff's counsels in their submission in reply, the defendant's own Mr.

Wee Boon Ping (DW1) admitted at p. 92, lines 29-31 of the notes of proceedings that Wees Marketing were not distributing and selling their Smiling Brand products since 1998. What is more, they submitted and I totally agree, the burden is on the defendant to prove acquiscence and delay on the plaintiff's part which they have not been able to, whereas the plaintiff has adduced evidence (as I earlier said) to show the changing of the defendant's get-up which ultimately led to the close resemblance to the plaintiff's get-up. In aid of their argument that the defendant could not avail themselves of defence of laches/delay, the plaintiff's counsels have referred me to the case of *Alfred Templeton & Ors v. Mount Pleasure Corp Sdn Bhd* [1989] 1 CLJ 693; [1989] 1 CLJ (Rep) 219 where Edgar Joseph J (as His Lordship then was) discussed at length, laches/delay as an equitable defence. His Lordship opined that its applicability is very much a question of fact in each case and that question of fact is to be considered only when the statute of limitation does not apply.

[28] I have earlier said and it is relevant to repeat it now that the defendant has not made out a case of delay of eleven years as submitted by their counsel. I would follow that statement with an agreement to concur with the plaintiff's counsel that on the evidence, it was shown that the plaintiff discovered the infringement only in 2009 as testified by Mdm Khimpring Tohtubtiang and even if they were aware of it earlier, they would be powerless to sue because their trade mark was only registered on 22 December 2008. That being the case, the accrual of their right to sue (even if there was prior knowledge) would be 22 December 2008. Since there is no specific period of limitation provided in the Limitation Ordinance Sarawak for this kind of action, it falls under the general provision provided in Item 97, ie six years. This means two things, quite obvious from my citation of *Alfred Templeton*'s case *(supra)* which decision on laches I adopt here and these are,

(i) the equitable defence of laches/delay is not available to the defendant because there is a statute of limitation applicable to the plaintiff's action; and

(ii) this action, instituted in 2009 was well within the limitation period prescribed by law.

[29] On these considerations, in the terms as prayed by them in their statement of claim and reiterated in the written submissions of their counsels. There is, I note, absent from these prayers, an order for damages and I take it therefore that none is intended to be claimed by them for the defendant's wrongful acts in this action. It is this absence of the prayer for damages that led me to say above that Item 97 is applicable in this case and not Item 96 because this Item is for a claim of compensation for infringement of copyright or any other exclusive privilege.

[30] The terms of this judgment therefore are:

(1) A permanent injunction to restrain the defendant in the manner and along the lines as prayed in the statement of claim and reproduced in the plaintiff's counsel's written submission in reply, to wit,

(i) Infringing the plaintiff's trade mark registration No. 96/03248 by manufacturing or importing, distributing, selling, offering for sale, displaying for the purpose of trade and business any canned seafood products, including but not limited to canned sardines not of the plaintiff's manufacture and/or distribution bearing the trade mark 'Smiling Brand' and/or any trade marks identical to or so nearly resembling the Smiling Fish Mark or any part of the combination thereof.

(ii) Reproducing or substantially reproducing without the licence of the plaintiff any copies of the artistic work as represented in Appendix C and/or any part thereof in any material form, or otherwise infringing the plaintiff's copyright in the said artistic work; and

(iii) Aiding, causing, enabling and/or assisting any others to do any or all of the offending acts referred in paras. 1(i) and (ii)) above.

(2) Refund of security deposit of RM100,000 to the plaintiff.

(3) The canned sardines tendered at the trial (exhs. P9, P10, P11, P12, P13, P14(A) & (B) and P15(A) & (B) to be returned to the plaintiff after the lapse of the appeal period.

(4) Cost of the action which I fixed at RM50,000.